

SENATE BILL 295

I3, I2

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CF HB 555

By: Senators Astle, Klausmeier, Miller, Benson, Brinkley, Colburn, Conway, Currie, DeGrange, Edwards, Ferguson, Forehand, Frosh, Garagiola, Getty, Jacobs, Jennings, Jones-Rodwell, Kelley, King, Madaleno, Manno, Mathias, McFadden, Middleton, Montgomery, Peters, Pinsky, Pipkin, Pugh, Ramirez, Raskin, Reilly, Robey, Shank, Stone, Young, and Zirkin

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Assigned to: Finance

Committee Report: Favorable with amendments

Senate action: Adopted

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CHAPTER _____

1 AN ACT concerning

2 **Commercial Law – Security Freezes – Minors and Protected Persons**

3 FOR the purpose of authorizing certain ~~individuals~~ representatives to request a
4 security freeze on the consumer report or a certain record of certain protected
5 consumers who are minor children ~~and certain consumers who are~~ or
6 individuals under guardianship or conservatorship in accordance with certain
7 application procedures; ~~requiring a consumer reporting agency to place a~~
8 ~~security freeze on certain consumer reports of certain consumers on request of~~
9 ~~certain individuals and to send certain information to the individuals;~~
10 ~~authorizing a consumer reporting agency to require certain individuals to~~
11 ~~confirm a certain request in writing; requiring a consumer reporting agency to~~
12 ~~create a certain consumer report for a certain consumer under certain~~
13 ~~circumstances; requiring a consumer reporting agency to place a security freeze~~
14 for a protected consumer under certain circumstances and within a certain
15 period of time; requiring a consumer reporting agency to create a certain record
16 under certain circumstances; prohibiting a consumer reporting agency from
17 releasing certain information while a security freeze is in place ~~without certain~~
18 ~~authorization; authorizing a person who requests access to a consumer report of~~
19 ~~a certain consumer to treat a certain application as incomplete under certain~~
20 ~~circumstances; providing for the temporary or permanent removal of a security~~

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 ~~freeze on a consumer report of a certain consumer in accordance with certain~~
 2 ~~procedures; prohibiting the charging of a fee for imposition of a security freeze~~
 3 ~~on the consumer report of a certain consumer under certain circumstances;~~
 4 ~~requiring a certain notice to contain certain information; altering the~~
 5 ~~application of certain provisions of law; defining a certain term; altering a~~
 6 ~~certain definition; making certain stylistic and conforming changes; providing~~
 7 that a certain security freeze remains in effect until a certain request is made or
 8 the security freeze is removed in accordance with a certain provision of this Act;
 9 providing that a certain protected consumer or representative may request the
 10 removal of a certain security freeze by submitting a certain request in a certain
 11 manner and under certain circumstances; requiring a consumer reporting
 12 agency to remove a certain security freeze within a certain period of time;
 13 prohibiting a consumer reporting agency from charging a certain fee except
 14 under certain circumstances; allowing a consumer reporting agency to remove a
 15 certain security freeze or delete a certain record under certain circumstances;
 16 providing that the exclusive remedy for a certain violation shall be a certain
 17 complaint filed with the Commissioner of Financial Regulation; defining certain
 18 terms; repealing certain obsolete provisions; providing for a delayed effective
 19 date; and generally relating to consumer reports and security freezes.

20 BY repealing and reenacting, with amendments,
 21 Article – Commercial Law
 22 Section 14–1212.1
 23 Annotated Code of Maryland
 24 (2005 Replacement Volume and 2011 Supplement)

25 BY adding to
 26 Article – Commercial Law
 27 Section 14–1212.2
 28 Annotated Code of Maryland
 29 (2005 Replacement Volume and 2011 Supplement)

30 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
 31 MARYLAND, That the Laws of Maryland read as follows:

32 **Article – Commercial Law**

33 14–1212.1.

34 (a) (1) In this section the following words have the meanings indicated.

35 (2) “Account review” includes activities related to account
 36 maintenance, account monitoring, credit line increases, and account upgrades and
 37 enhancements.

38 (3) ~~“REPRESENTATIVE” MEANS:~~

1 ~~(I) THE CUSTODIAL PARENT OR LEGAL GUARDIAN OF A~~
2 ~~CONSUMER WHO IS A MINOR; OR~~

3 ~~(II) THE GUARDIAN OR CONSERVATOR OF A CONSUMER~~
4 ~~WHO IS AN INCAPACITATED PERSON OR A PROTECTED PERSON APPOINTED IN~~
5 ~~ACCORDANCE WITH TITLE 13 OF THE ESTATES AND TRUSTS ARTICLE.~~

6 ~~(4) (3)~~ “Security freeze” means a restriction placed on a consumer’s
7 consumer report at the request of the consumer ~~OR THE CONSUMER’S~~
8 ~~REPRESENTATIVE~~ that prohibits a consumer reporting agency from releasing the
9 consumer’s consumer report or any information derived from the consumer’s consumer
10 report without the express authorization of the consumer ~~OR THE CONSUMER’S~~
11 ~~REPRESENTATIVE~~.

12 (b) (1) This section does not apply to the use of a consumer’s consumer
13 report by:

14 (i) A person, or a subsidiary, affiliate, agent, or assignee of the
15 person, with which the consumer has, or prior to assignment had, an account,
16 contract, or debtor–creditor relationship, for the purpose of account review or
17 collecting the financial obligation owing for the account, contract, or debt;

18 (ii) A person that was given access to the consumer’s consumer
19 report under subsection (e) of this section for the purpose of facilitating an extension of
20 credit to the consumer or another permissible use;

21 (iii) A person acting in accordance with a court order, warrant,
22 or subpoena;

23 (iv) A unit of State or local government that administers a
24 program for establishing and enforcing child support obligations;

25 (v) The Department of Health and Mental Hygiene in
26 connection with a fraud investigation conducted by the Department;

27 (vi) The State Department of Assessments and Taxation, the
28 Comptroller, or any other State or local taxing authority in connection with:

29 1. An investigation conducted by the Department,
30 Comptroller, or taxing authority;

31 2. The collection of delinquent taxes or unpaid court
32 orders by the Department, Comptroller, or taxing authority; or

33 3. The performance of any other duty provided for by
34 law;

1 (vii) A person for the purpose of prescreening, as defined by the
2 federal Fair Credit Reporting Act;

3 (viii) A person administering a credit file monitoring subscription
4 service to which the consumer has subscribed;

5 (ix) A person providing a consumer ~~OR A CONSUMER'S~~
6 ~~REPRESENTATIVE~~ with a copy of the consumer's consumer report on request of the
7 consumer ~~OR THE CONSUMER'S REPRESENTATIVE~~; or

8 (x) To the extent not prohibited by other State law, a person
9 only for the purpose of setting or adjusting an insurance rate, adjusting an insurance
10 claim, or underwriting an insurance risk.

11 (2) This section does not apply to:

12 (i) A check services or fraud prevention services company that
13 issues:

- 14 1. Reports on incidents of fraud; or
- 15 2. Authorizations for the purpose of approving or
16 processing negotiable instruments, electronic funds transfers, or similar payment
17 methods;

18 (ii) A deposit account information service company that issues
19 reports regarding account closures due to fraud, substantial overdrafts, automated
20 teller machine abuse, or similar negative information regarding a consumer to
21 inquiring banks or other financial institutions for use only in reviewing a consumer
22 request for a deposit account at the inquiring bank or financial institution; or

23 (iii) A consumer reporting agency database or file that consists
24 entirely of consumer information concerning, and used solely for:

- 25 1. Criminal record information;
- 26 2. Personal loss history information;
- 27 3. Fraud prevention or detection;
- 28 4. Employment screening; or
- 29 5. Tenant screening.

30 (c) (1) A consumer ~~OR A CONSUMER'S REPRESENTATIVE~~ may elect to
31 place a security freeze on the consumer's consumer report by:

- 1 (i) Written request sent by certified mail;
- 2 (ii) ~~Beginning January 1, 2010, subject~~ **SUBJECT** to paragraph
3 (6) of this subsection, telephone, by providing certain personal information that the
4 consumer reporting agency may require to verify the identity of the consumer ~~OR THE~~
5 ~~CONSUMER'S REPRESENTATIVE~~;
- 6 (iii) Electronic mail using an electronic postmark if a secure
7 electronic mail connection is made available by the consumer reporting agency; or
- 8 (iv) If the consumer reporting agency makes a secure connection
9 available on its website, an electronic request through that secure connection.
- 10 (2) A consumer reporting agency shall require a consumer ~~OR A~~
11 ~~CONSUMER'S REPRESENTATIVE~~ to provide proper identifying information when
12 requesting a security freeze.
- 13 (3) Except as provided in paragraph (5) of this subsection, a consumer
14 reporting agency shall place a security freeze on a consumer's consumer report:
- 15 (i) ~~Before July 1, 2008, within 5 business days after receiving a~~
16 ~~request under paragraph (1) of this subsection; or~~
- 17 (ii) ~~On or after July 1, 2008, within 3 business days after~~
18 receiving a request under paragraph (1) of this subsection.
- 19 (4) Within 5 business days after placing a security freeze on a
20 consumer's consumer report, the consumer reporting agency shall:
- 21 (i) Send a written confirmation of the security freeze to the
22 consumer ~~OR THE CONSUMER'S REPRESENTATIVE~~;
- 23 (ii) Provide the consumer ~~OR THE CONSUMER'S~~
24 ~~REPRESENTATIVE~~ with a unique personal identification number or password to be
25 used by the consumer ~~OR THE CONSUMER'S REPRESENTATIVE~~ when authorizing
26 the release of the consumer's consumer report to a specific person or for a specific
27 period of time; and
- 28 (iii) Provide the consumer ~~OR THE CONSUMER'S~~
29 ~~REPRESENTATIVE~~ with a written statement of the procedures for requesting the
30 consumer reporting agency to remove or temporarily lift a security freeze.
- 31 (5) (i) Subject to subparagraph (ii) of this paragraph, a consumer
32 reporting agency is not required to place a security freeze on a consumer report if the
33 consumer reporting agency:

1 1. Acts only as a reseller of credit information by
2 assembling and merging information contained in a database of another consumer
3 reporting agency or multiple consumer reporting agencies; and

4 2. Does not maintain a permanent database of credit
5 information from which new consumer reports are produced.

6 (ii) A consumer reporting agency that acts as a reseller of credit
7 information shall honor a security freeze placed on a consumer report by another
8 consumer reporting agency.

9 (6) (i) If a consumer ~~OR A CONSUMER'S REPRESENTATIVE~~
10 requests placement of a security freeze by telephone under paragraph (1)(ii) of this
11 subsection, the consumer reporting agency may require the consumer ~~OR THE~~
12 ~~CONSUMER'S REPRESENTATIVE~~ to confirm the request in writing on a form that the
13 consumer reporting agency provides to the consumer ~~OR THE CONSUMER'S~~
14 ~~REPRESENTATIVE~~ with the materials sent in accordance with paragraph (4) of this
15 subsection.

16 (ii) If the consumer ~~OR THE CONSUMER'S REPRESENTATIVE~~
17 fails to return written confirmation that the consumer reporting agency requires
18 under subparagraph (i) of this paragraph, the consumer reporting agency may remove
19 the security freeze in accordance with subsection (g)(2) of this section.

20 ~~(7) IF A CONSUMER FOR WHOM A SECURITY FREEZE IS~~
21 ~~REQUESTED BY THE CONSUMER'S REPRESENTATIVE DOES NOT HAVE A~~
22 ~~CONSUMER REPORT AT THE TIME OF THE REQUEST, THE CONSUMER~~
23 ~~REPORTING AGENCY SHALL CREATE A CONSUMER REPORT FOR THE CONSUMER~~
24 ~~FOR THE PURPOSE OF IMPOSING A SECURITY FREEZE ON IT IN ACCORDANCE~~
25 ~~WITH THIS SECTION.~~

26 (d) (1) While a security freeze is in place, a consumer reporting agency
27 may not release a consumer's consumer report or any information derived from a
28 consumer's consumer report without the express prior authorization of the consumer
29 ~~OR THE CONSUMER'S REPRESENTATIVE.~~

30 (2) A consumer reporting agency may advise a person that a security
31 freeze is in effect with respect to a consumer's consumer report.

32 (3) A consumer reporting agency may not state or imply to any person
33 that a security freeze on a consumer's consumer report reflects a negative credit score,
34 credit history, or credit rating.

35 (e) (1) If a consumer ~~OR A CONSUMER'S REPRESENTATIVE~~
36 temporarily lift a security freeze to allow the consumer's consumer report to be

1 accessed by a specific person or for a specific period of time while a security freeze is in
2 place, the consumer ~~OR THE CONSUMER'S REPRESENTATIVE~~ shall:

3 (i) Contact the consumer reporting agency by:

4 1. Mail in the manner prescribed by the consumer
5 reporting agency;

6 2. Telephone in the manner prescribed by the consumer
7 reporting agency;

8 3. Electronic mail using an electronic postmark if a
9 secure electronic mail connection is made available to the consumer ~~OR THE~~
10 ~~CONSUMER'S REPRESENTATIVE~~ by the consumer reporting agency; or

11 4. Electronic request if a secure connection is made
12 available on the website of the consumer reporting agency;

13 (ii) Request that the security freeze be temporarily lifted; and

14 (iii) Provide the following to the consumer reporting agency:

15 1. Proper identifying information;

16 2. The unique personal identification number or
17 password provided to the consumer ~~OR THE CONSUMER'S REPRESENTATIVE~~ under
18 subsection (c)(4)(ii) of this section; and

19 3. The proper information regarding the person that is
20 to receive the consumer report or the time period during which the consumer report is
21 to be available to users of the consumer report.

22 (2) (i) Except as provided in subparagraph (ii) of this paragraph, a
23 consumer reporting agency shall comply with a request made under paragraph (1) of
24 this subsection within 3 business days after receiving the request.

25 (ii) 1. ~~After January 31, 2009, a~~ A consumer reporting
26 agency shall comply with a request made under paragraph (1) of this subsection
27 within 15 minutes after the consumer's ~~OR THE CONSUMER'S REPRESENTATIVE'S~~
28 request is received by the consumer reporting agency if the request is made by
29 telephone, by electronic mail, or by secure connection on the website of the consumer
30 reporting agency.

31 2. A consumer reporting agency that is unable to
32 temporarily lift a security freeze under subparagraph 1 of this subparagraph shall
33 lift the security freeze as soon as it is reasonably capable of doing so.

1 (3) A consumer reporting agency may develop procedures involving
2 the use of facsimile or other electronic media to receive and process, in an expedited
3 manner, a request from a consumer ~~OR A CONSUMER'S REPRESENTATIVE~~ to
4 temporarily lift or remove a security freeze on the consumer's consumer report.

5 (f) If, in connection with an application for credit or for any other use, a
6 person requests access to a consumer's consumer report while a security freeze is in
7 place and the consumer ~~OR THE CONSUMER'S REPRESENTATIVE~~ does not authorize
8 access to the consumer report, the person may treat the application as incomplete.

9 (g) (1) Except as provided in paragraph (2) of this subsection, a consumer
10 reporting agency may remove or temporarily lift a security freeze placed on a
11 consumer's consumer report only on request of the consumer ~~OR THE CONSUMER'S~~
12 ~~REPRESENTATIVE~~ made under subsection (e) or (h) of this section.

13 (2) (i) A consumer reporting agency may remove a security freeze
14 placed on a consumer's consumer report if:

15 1. Placement of the security freeze was based on a
16 material misrepresentation of fact by the consumer ~~OR THE CONSUMER'S~~
17 ~~REPRESENTATIVE~~; or

18 2. The consumer ~~OR THE CONSUMER'S~~
19 ~~REPRESENTATIVE~~:

20 A. Made the request to place the security freeze by
21 telephone under subsection (c)(1)(ii) of this section; and

22 B. Failed to confirm the request in writing if required in
23 accordance with subsection (c)(6) of this section.

24 (ii) If a consumer reporting agency intends to remove a security
25 freeze under subparagraph (i) of this paragraph, the consumer reporting agency shall
26 notify the consumer ~~OR THE CONSUMER'S REPRESENTATIVE~~ in writing of its intent
27 at least 5 business days before removing the security freeze.

28 (h) (1) Subject to subsection (g)(2) of this section, a security freeze shall
29 remain in place until the consumer ~~OR THE CONSUMER'S REPRESENTATIVE~~
30 requests that the security freeze be removed.

31 (2) If a consumer ~~OR A CONSUMER'S REPRESENTATIVE~~ wants to
32 remove a security freeze from the consumer's consumer report, the consumer ~~OR THE~~
33 ~~CONSUMER'S REPRESENTATIVE~~ shall:

34 (i) Contact the consumer reporting agency by:

1 (j) At any time that a consumer is entitled to receive a summary of rights
2 under § 609 of the federal Fair Credit Reporting Act or § 14–1206 of this subtitle, the
3 following notice shall be included:

4 “NOTICE

5 You have a right, under § 14–1212.1 of the Commercial Law Article of the
6 Annotated Code of Maryland, to place a security freeze on your credit report. The
7 security freeze will prohibit a consumer reporting agency from releasing your credit
8 report or any information derived from your credit report without your express
9 authorization. The purpose of a security freeze is to prevent credit, loans, and services
10 from being approved in your name without your consent. ~~A PARENT, GUARDIAN, OR~~
11 ~~CONSERVATOR MAY REQUEST A SECURITY FREEZE ON A CREDIT REPORT OF A~~
12 ~~MINOR OR ANOTHER INDIVIDUAL UNDER GUARDIANSHIP OR~~
13 ~~CONSERVATORSHIP.~~

14 You may elect to have a consumer reporting agency place a security freeze on
15 your credit report by written request sent by certified mail or by electronic mail or the
16 Internet if the consumer reporting agency provides a secure electronic connection. The
17 consumer reporting agency must place a security freeze on your credit report within ~~5~~
18 ~~3~~ business days after your request is received, ~~or within 3 business days starting July~~
19 ~~1, 2008.~~ Within 5 business days after a security freeze is placed on your credit report,
20 you will be provided with a unique personal identification number or password to use
21 if you want to remove the security freeze or temporarily lift the security freeze to
22 release your credit report to a specific person or for a specific period of time. You also
23 will receive information on the procedures for removing or temporarily lifting a
24 security freeze.

25 If you want to temporarily lift the security freeze on your credit report, you
26 must contact the consumer reporting agency and provide all of the following:

27 (1) The unique personal identification number or password provided
28 by the consumer reporting agency;

29 (2) The proper identifying information to verify your identity; and

30 (3) The proper information regarding the person who is to receive the
31 credit report or the period of time for which the credit report is to be available to users
32 of the credit report.

33 A consumer reporting agency must comply with a request to temporarily lift a
34 security freeze on a credit report within 3 business days after the request is received,
35 or within 15 minutes ~~starting January 31, 2009,~~ for certain requests. A consumer
36 reporting agency must comply with a request to remove a security freeze on a credit
37 report within 3 business days after the request is received.

1 If you are actively seeking credit, you should be aware that the procedures
 2 involved in lifting a security freeze may slow your own applications for credit. You
 3 should plan ahead and lift a security freeze, either completely if you are seeking credit
 4 from a number of sources, or just for a specific creditor if you are applying only to that
 5 creditor, a few days before actually applying for new credit.

6 A consumer reporting agency may charge a reasonable fee not exceeding \$5 for
 7 each placement, temporary lift, or removal of a security freeze. However, a consumer
 8 reporting agency may not charge any fee to a consumer ~~OR A CONSUMER'S~~
 9 ~~REPRESENTATIVE~~ who, at the time of a request to place, temporarily lift, or remove a
 10 security freeze, presents to the consumer reporting agency a police report of alleged
 11 identity fraud against the consumer or an identity theft passport.

12 A security freeze does not apply if you have an existing account relationship and
 13 a copy of your credit report is requested by your existing creditor or its agents or
 14 affiliates for certain types of account review, collection, fraud control, or similar
 15 activities.”

16 (k) If a consumer reporting agency violates a security freeze by releasing a
 17 ~~{consumer's}~~ consumer report subject to a security freeze or any information derived
 18 from a ~~{consumer's}~~ consumer report subject to a security freeze without
 19 authorization, the consumer reporting agency, within 5 business days after
 20 discovering or being notified of the release, shall notify the consumer in writing of:

21 (1) The specific information released; and

22 (2) The name and address of, or other available contact information
 23 for, the recipient of the consumer report or the information released.

24 (l) The exclusive remedy for a violation of subsection (e)(2)(ii) of this section
 25 shall be a complaint filed with the Commissioner under § 14–1217 of this subtitle.

26 **14–1212.2.**

27 **(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE**
 28 **MEANINGS INDICATED.**

29 **(2) “PROTECTED CONSUMER” MEANS AN INDIVIDUAL WHO IS:**

30 **(I) UNDER THE AGE OF 16 YEARS AT THE TIME A REQUEST**
 31 **FOR THE PLACEMENT OF A SECURITY FREEZE IS MADE; OR**

32 **(II) AN INCAPACITATED PERSON OR A PROTECTED PERSON**
 33 **FOR WHOM A GUARDIAN OR CONSERVATOR HAS BEEN APPOINTED IN**
 34 **ACCORDANCE WITH TITLE 13 OF THE ESTATES AND TRUSTS ARTICLE.**

1 **(3) “RECORD” MEANS A COMPILATION OF INFORMATION THAT:**

2 **(I) IDENTIFIES A PROTECTED CONSUMER;**

3 **(II) IS CREATED BY A CONSUMER REPORTING AGENCY**
4 **SOLELY FOR THE PURPOSE OF COMPLYING WITH THIS SECTION; AND**

5 **(III) MAY NOT BE CREATED OR USED TO CONSIDER THE**
6 **PROTECTED CONSUMER’S CREDIT WORTHINESS, CREDIT STANDING, CREDIT**
7 **CAPACITY, CHARACTER, GENERAL REPUTATION, PERSONAL CHARACTERISTICS,**
8 **OR MODE OF LIVING FOR ANY PURPOSE LISTED IN § 14-1201(D)(1) OF THIS**
9 **SUBTITLE.**

10 **(4) “REPRESENTATIVE” MEANS A PERSON WHO PROVIDES TO A**
11 **CONSUMER REPORTING AGENCY SUFFICIENT PROOF OF AUTHORITY TO ACT ON**
12 **BEHALF OF A PROTECTED CONSUMER.**

13 **(5) “SECURITY FREEZE” MEANS:**

14 **(I) IF A CONSUMER REPORTING AGENCY DOES NOT HAVE A**
15 **FILE PERTAINING TO A PROTECTED CONSUMER, A RESTRICTION THAT:**

16 **1. IS PLACED ON THE PROTECTED CONSUMER’S**
17 **RECORD IN ACCORDANCE WITH THIS SECTION; AND**

18 **2. PROHIBITS THE CONSUMER REPORTING AGENCY**
19 **FROM RELEASING THE PROTECTED CONSUMER’S RECORD EXCEPT AS PROVIDED**
20 **IN THIS SECTION; OR**

21 **(II) IF A CONSUMER REPORTING AGENCY HAS A FILE**
22 **PERTAINING TO THE PROTECTED CONSUMER, A RESTRICTION THAT:**

23 **1. IS PLACED ON THE PROTECTED CONSUMER’S**
24 **CONSUMER REPORT IN ACCORDANCE WITH THIS SECTION; AND**

25 **2. PROHIBITS THE CONSUMER REPORTING AGENCY**
26 **FROM RELEASING THE PROTECTED CONSUMER’S CONSUMER REPORT OR ANY**
27 **INFORMATION DERIVED FROM THE PROTECTED CONSUMER’S CONSUMER**
28 **REPORT EXCEPT AS PROVIDED IN THIS SECTION.**

29 **(6) (I) “SUFFICIENT PROOF OF AUTHORITY” MEANS**
30 **DOCUMENTATION THAT SHOWS A REPRESENTATIVE HAS AUTHORITY TO ACT ON**
31 **BEHALF OF A PROTECTED CONSUMER.**

1 (II) “SUFFICIENT PROOF OF AUTHORITY” INCLUDES:

2 1. AN ORDER ISSUED BY A COURT OF LAW;

3 2. A LAWFULLY EXECUTED AND VALID POWER OF
4 ATTORNEY; AND

5 3. A WRITTEN, NOTARIZED STATEMENT SIGNED BY A
6 REPRESENTATIVE THAT EXPRESSLY DESCRIBES THE AUTHORITY OF THE
7 REPRESENTATIVE TO ACT ON BEHALF OF A PROTECTED CONSUMER.

8 (7) (I) “SUFFICIENT PROOF OF IDENTIFICATION” MEANS
9 INFORMATION OR DOCUMENTATION THAT IDENTIFIES A PROTECTED
10 CONSUMER OR A REPRESENTATIVE OF A PROTECTED CONSUMER.

11 (II) “SUFFICIENT PROOF OF IDENTIFICATION” INCLUDES:

12 1. A SOCIAL SECURITY NUMBER OR A COPY OF A
13 SOCIAL SECURITY CARD ISSUED BY THE SOCIAL SECURITY ADMINISTRATION;

14 2. A CERTIFIED OR OFFICIAL COPY OF A BIRTH
15 CERTIFICATE ISSUED BY THE ENTITY AUTHORIZED TO ISSUE THE BIRTH
16 CERTIFICATE;

17 3. A COPY OF A DRIVER’S LICENSE, AN
18 IDENTIFICATION CARD ISSUED BY THE MOTOR VEHICLE ADMINISTRATION, OR
19 ANY OTHER GOVERNMENT–ISSUED IDENTIFICATION; OR

20 4. A COPY OF A BILL, INCLUDING A BILL FOR
21 TELEPHONE, SEWER, SEPTIC TANK, WATER, ELECTRIC, OIL, OR NATURAL GAS
22 SERVICES, THAT SHOWS A NAME AND HOME ADDRESS.

23 (B) THIS SECTION DOES NOT APPLY TO THE USE OF A PROTECTED
24 CONSUMER’S CONSUMER REPORT OR RECORD BY:

25 (1) A PERSON ADMINISTERING A CREDIT FILE MONITORING
26 SUBSCRIPTION SERVICE TO WHICH:

27 (I) THE PROTECTED CONSUMER HAS SUBSCRIBED; OR

28 (II) THE REPRESENTATIVE OF THE PROTECTED CONSUMER
29 HAS SUBSCRIBED ON BEHALF OF THE PROTECTED CONSUMER;

1 **(2) A PERSON PROVIDING THE PROTECTED CONSUMER OR THE**
2 **PROTECTED CONSUMER'S REPRESENTATIVE WITH A COPY OF THE PROTECTED**
3 **CONSUMER'S CONSUMER REPORT ON REQUEST OF THE PROTECTED CONSUMER**
4 **OR THE PROTECTED CONSUMER'S REPRESENTATIVE; OR**

5 **(3) AN ENTITY LISTED IN § 14-1212.1(B)(2)(I) OR (II) OR (C)(5)**
6 **OF THIS SUBTITLE.**

7 **(C) (1) A CONSUMER REPORTING AGENCY SHALL PLACE A SECURITY**
8 **FREEZE FOR A PROTECTED CONSUMER IF:**

9 **(I) THE CONSUMER REPORTING AGENCY RECEIVES A**
10 **REQUEST FROM THE PROTECTED CONSUMER'S REPRESENTATIVE FOR THE**
11 **PLACEMENT OF THE SECURITY FREEZE UNDER THIS SECTION; AND**

12 **(II) THE PROTECTED CONSUMER'S REPRESENTATIVE:**

13 **1. SUBMITS THE REQUEST TO THE CONSUMER**
14 **REPORTING AGENCY AT THE ADDRESS OR OTHER POINT OF CONTACT AND IN**
15 **THE MANNER SPECIFIED BY THE CONSUMER REPORTING AGENCY;**

16 **2. PROVIDES TO THE CONSUMER REPORTING**
17 **AGENCY SUFFICIENT PROOF OF IDENTIFICATION OF THE PROTECTED**
18 **CONSUMER AND THE REPRESENTATIVE;**

19 **3. PROVIDES TO THE CONSUMER REPORTING**
20 **AGENCY SUFFICIENT PROOF OF AUTHORITY TO ACT ON BEHALF OF THE**
21 **PROTECTED CONSUMER; AND**

22 **4. PAYS TO THE CONSUMER REPORTING AGENCY A**
23 **FEE AS PROVIDED IN SUBSECTION (I) OF THIS SECTION.**

24 **(2) IF A CONSUMER REPORTING AGENCY DOES NOT HAVE A FILE**
25 **PERTAINING TO A PROTECTED CONSUMER WHEN THE CONSUMER REPORTING**
26 **AGENCY RECEIVES A REQUEST UNDER PARAGRAPH (1) OF THIS SUBSECTION,**
27 **THE CONSUMER REPORTING AGENCY SHALL CREATE A RECORD FOR THE**
28 **PROTECTED CONSUMER.**

29 **(D) WITHIN 30 DAYS AFTER RECEIVING A REQUEST THAT MEETS THE**
30 **REQUIREMENTS OF SUBSECTION (C)(1) OF THIS SECTION, A CONSUMER**
31 **REPORTING AGENCY SHALL PLACE A SECURITY FREEZE FOR THE PROTECTED**
32 **CONSUMER.**

1 (E) UNLESS A SECURITY FREEZE FOR A PROTECTED CONSUMER IS
2 REMOVED IN ACCORDANCE WITH SUBSECTION (G) OR (J) OF THIS SECTION, A
3 CONSUMER REPORTING AGENCY MAY NOT RELEASE THE PROTECTED
4 CONSUMER'S CONSUMER REPORT, ANY INFORMATION DERIVED FROM THE
5 PROTECTED CONSUMER'S CONSUMER REPORT, OR ANY RECORD CREATED FOR
6 THE PROTECTED CONSUMER.

7 (F) A SECURITY FREEZE FOR A PROTECTED CONSUMER PLACED UNDER
8 SUBSECTION (D) OF THIS SECTION SHALL REMAIN IN EFFECT UNTIL:

9 (1) THE PROTECTED CONSUMER OR THE PROTECTED
10 CONSUMER'S REPRESENTATIVE REQUESTS THE CONSUMER REPORTING AGENCY
11 TO REMOVE THE SECURITY FREEZE IN ACCORDANCE WITH SUBSECTION (G) OF
12 THIS SECTION; OR

13 (2) THE SECURITY FREEZE IS REMOVED IN ACCORDANCE WITH
14 SUBSECTION (J) OF THIS SECTION.

15 (G) IF A PROTECTED CONSUMER OR A PROTECTED CONSUMER'S
16 REPRESENTATIVE WISHES TO REMOVE A SECURITY FREEZE FOR THE
17 PROTECTED CONSUMER, THE PROTECTED CONSUMER OR THE PROTECTED
18 CONSUMER'S REPRESENTATIVE SHALL:

19 (1) SUBMIT A REQUEST FOR THE REMOVAL OF THE SECURITY
20 FREEZE TO THE CONSUMER REPORTING AGENCY AT THE ADDRESS OR OTHER
21 POINT OF CONTACT AND IN THE MANNER SPECIFIED BY THE CONSUMER
22 REPORTING AGENCY;

23 (2) PROVIDE TO THE CONSUMER REPORTING AGENCY:

24 (I) IN THE CASE OF A REQUEST BY THE PROTECTED
25 CONSUMER:

26 1. PROOF THAT THE SUFFICIENT PROOF OF
27 AUTHORITY FOR THE PROTECTED CONSUMER'S REPRESENTATIVE TO ACT ON
28 BEHALF OF THE PROTECTED CONSUMER IS NO LONGER VALID; AND

29 2. SUFFICIENT PROOF OF IDENTIFICATION OF THE
30 PROTECTED CONSUMER; OR

31 (II) IN THE CASE OF A REQUEST BY THE REPRESENTATIVE
32 OF A PROTECTED CONSUMER:

1 1. SUFFICIENT PROOF OF IDENTIFICATION OF THE
2 PROTECTED CONSUMER AND THE REPRESENTATIVE; AND

3 2. SUFFICIENT PROOF OF AUTHORITY TO ACT ON
4 BEHALF OF THE PROTECTED CONSUMER; AND

5 (3) PAY TO THE CONSUMER REPORTING AGENCY A FEE AS
6 PROVIDED IN SUBSECTION (I) OF THIS SECTION.

7 (H) WITHIN 30 DAYS AFTER RECEIVING A REQUEST THAT MEETS THE
8 REQUIREMENTS OF SUBSECTION (G) OF THIS SECTION, THE CONSUMER
9 REPORTING AGENCY SHALL REMOVE THE SECURITY FREEZE FOR THE
10 PROTECTED CONSUMER.

11 (I) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS
12 SUBSECTION, A CONSUMER REPORTING AGENCY MAY NOT CHARGE A FEE FOR
13 ANY SERVICE PERFORMED UNDER THIS SECTION.

14 (2) A CONSUMER REPORTING AGENCY MAY CHARGE A
15 REASONABLE FEE, NOT EXCEEDING \$5, FOR EACH PLACEMENT OR REMOVAL OF
16 A SECURITY FREEZE FOR A PROTECTED CONSUMER.

17 (3) NOTWITHSTANDING PARAGRAPH (2) OF THIS SUBSECTION, A
18 CONSUMER REPORTING AGENCY MAY NOT CHARGE ANY FEE UNDER THIS
19 SECTION IF:

20 (I) THE PROTECTED CONSUMER'S REPRESENTATIVE:

21 1. HAS OBTAINED A REPORT OF ALLEGED IDENTITY
22 FRAUD AGAINST THE PROTECTED CONSUMER UNDER § 8-304 OF THE CRIMINAL
23 LAW ARTICLE OR AN IDENTITY THEFT PASSPORT UNDER § 8-305 OF THE
24 CRIMINAL LAW ARTICLE; AND

25 2. PROVIDES A COPY OF THE REPORT OR PASSPORT
26 TO THE CONSUMER REPORTING AGENCY; OR

27 (II) 1. A REQUEST FOR THE PLACEMENT OR REMOVAL
28 OF A SECURITY FREEZE IS FOR A PROTECTED CONSUMER WHO IS UNDER THE
29 AGE OF 16 YEARS AT THE TIME OF THE REQUEST; AND

30 2. THE CONSUMER REPORTING AGENCY HAS A
31 CONSUMER REPORT PERTAINING TO THE PROTECTED CONSUMER.

1 **(J) A CONSUMER REPORTING AGENCY MAY REMOVE A SECURITY**
 2 **FREEZE FOR A PROTECTED CONSUMER OR DELETE A RECORD OF A PROTECTED**
 3 **CONSUMER IF THE SECURITY FREEZE WAS PLACED OR THE RECORD WAS**
 4 **CREATED BASED ON A MATERIAL MISREPRESENTATION OF FACT BY THE**
 5 **PROTECTED CONSUMER OR THE PROTECTED CONSUMER’S REPRESENTATIVE.**

6 **(K) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, THE**
 7 **EXCLUSIVE REMEDY FOR A VIOLATION OF THIS SECTION SHALL BE A**
 8 **COMPLAINT FILED WITH THE COMMISSIONER UNDER § 14-1217 OF THIS**
 9 **SUBTITLE.**

10 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
 11 ~~October 1, 2012~~ January 1, 2013.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.